

COVANTA HOLDING CORP
Form 8-K
May 18, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K
CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): May 18, 2009
COVANTA HOLDING CORPORATION
(Exact name of Registrant as Specified in Its Charter)**

Delaware

1-6732

95-6021257

**(State or Other Jurisdiction of
Incorporation)**

**(Commission
File Number)**

**(I.R.S. Employer
Identification No.)**

40 Lane Road

Fairfield, New Jersey 07004

(Address of principal executive offices) (Zip Code)

(973) 882-9000

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12(b))
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure.

On May 18, 2009, Covanta Holding Corporation (the Company) issued a press release revising its previously established 2009 diluted earnings per share guidance from the range of \$0.75 to \$0.90 per share to the range of \$0.65 to \$0.80 per share due to increased interest expense resulting from the Company's intent to offer \$300 million aggregate principal amount of cash convertible senior notes due 2014, with an over-allotment option of up to an additional \$45 million aggregate principal amount, and due to a correction in the debt discount amortization period related to the debt component of the Company's 1% Senior Convertible Debentures (the Debentures) as discussed below. All other guidance metrics remain unchanged. A copy of this press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

On January 1, 2009, the adoption of Financial Accounting Standards Board Staff Position No. APB 14-1, Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement) required the Company to separately account for the liability and equity components of the Debentures. The resultant debt discount was then accreted over the expected life of the Debentures, which was revised from February 1, 2027 to February 1, 2012 based on the first permitted redemption date of the Debentures. This change in the debt discount amortization period increased non-cash convertible debt interest expense and decreased diluted earnings per share. Additional information regarding this correction can be found in the Form 10Q/A filed by the Company with the Securities and Exchange Commission (the SEC) on May 18, 2009 to correct the Company's condensed consolidated financial statements for the quarter ended March 31, 2009.

The information contained in this Item 7.01 and Exhibit 99.1 hereto is being furnished to the SEC and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934 (the Exchange Act), or otherwise subject to the liabilities of that section, or incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired Not Applicable

(b) Pro Forma Financial Information Not Applicable

(c) Shell Company Transactions Not Applicable

(d) Exhibits

Exhibit No. Exhibit

10.33* Equity Commitment for Rights Offering between Covanta Holding Corporation and SZ Investments L.L.C. dated February 1, 2005 (incorporated herein by reference to Exhibit 10.2 of Covanta Holding Corporation's Current Report on Form 8-K dated January 31, 2005 and filed with the SEC on February 2, 2005).

10.34* Equity Commitment for Rights Offering between Covanta Holding Corporation and EGI-Fund (05-07) Investors, L.L.C. dated February 1, 2005 (incorporated herein by reference to Exhibit 10.3 of Covanta Holding Corporation's Current Report on Form 8-K dated January 31, 2005 and filed with the SEC on February 2, 2005).

10.35* Equity Commitment for Rights Offering between Covanta Holding Corporation and Third Avenue Trust, on behalf of The Third Avenue Value Fund Series dated February 1, 2005 (incorporated herein by reference to Exhibit 10.4 of Covanta Holding Corporation's Current Report on Form 8-K dated January 31, 2005 and filed with the SEC on February 2, 2005).

99.1 Press Release, dated May 18, 2009.

* Incorporated by reference into the Company's Registration Statement on Form S-3 Reg. No. 333-158409 as an exhibit thereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 18, 2009

COVANTA HOLDING CORPORATION
(Registrant)

By: /s/ Timothy J. Simpson
Name: Timothy J. Simpson
Title: Executive Vice President, General
Counsel and Secretary

COVANTA HOLDING CORPORATION
EXHIBIT INDEX

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|-------------|--|
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